



**METROPOLITAN
TRANSPORTATION
COMMISSION**

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Memorandum

TO: Administration Committee

DATE: November 7, 2012

FR: Executive Director

W. I. 1514

RE: Contract – Transit Performance Monitoring Program for FY 2012-13 through FY 2014-15:
Mundle & Associates, Inc. (\$650,000)

Staff requests Committee approval of a contract with Mundle & Associates, Inc. for \$650,000 to:

- Conduct TDA performance audits of MTC and the Bay Area transit operators over a three-year period;
- Conduct RM2 Operating Performance Reviews of all RM2 Operating Projects over a three-year period;
- Perform other performance review professional services, as needed.

Background

Transportation Development Act (TDA) Triennial Audits

California Public Utilities Code Section 99246 requires that transportation planning agencies, such as MTC, designate independent entities to conduct performance audits of their activities and of the activities of each transit operator to whom they allocate funds under Article 4 of the Transportation Development Act (TDA). The purpose of the audits is to systematically evaluate the efficiency, effectiveness, and economy of the operation of the entity being audited. Over the three-year period of the contract, MTC and all operators to whom MTC allocates TDA funds will be audited.

Regional Measure 2 Program Performance and other Performance Reviews

The consultant will also conduct a performance measure analysis of transit operations projects that are identified in the Regional Traffic Relief Plan of Regional Measure 2.

Other Performance Review Professional Services

The consultant may also be directed to provide the following types of services, including but not limited to: peer group performance and/or cost comparison; best practice review and synthesis for transit efficiency; independent assessment of cost reform options and review of current standards, goals, and objectives; recommendations on region-wide performance metrics; and recommendations on specific projects or progress in implementing Productivity Improvement Program Projects consistent with the Transit Sustainability Project (TSP), MTC Resolution 4060.

Selection Process

A Request for Proposals (RFP) was posted on September 10, 2012. MTC received two (2) proposals from the following firms:

- Moore & Associates, Valencia, CA
- Mundle & Associates, Inc. Voorhees, NJ

A review panel of two MTC staff and three transit agency representatives evaluated the proposals based upon the following evaluation criteria specified in the RFP:

- Individual project staff and firm qualifications and experience with performance audits, particularly transportation agency audits, public transit, transportation planning, and the issues and functional area(s) to be analyzed;
- Understanding of the purpose and requirements of the project and approach to conducting and completing the project, including but not limited to: proposed work plans and schedules; strategy for managing resources, including subcontractors' personnel and project output; and approach to dealing with project challenges or obstacles;
- Resource allocation (personnel and expenditures), in terms of quality and quantity, to key tasks, including the hours and appropriateness of personnel assigned to each task;
- Cost effectiveness; and
- Writing ability.

Following interviews of both firms, the panel determined that the proposal submitted by Mundle & Associates, Inc. was superior to Moore & Associate's proposal in providing precise work plans for each defined task, proposing approaches to understanding recent trends in transit delivery throughout the U.S. that may be applicable to the Bay Area suggesting processes and methodologies for implementing TSP recommendations consistent with MTC Resolution 4060, and team experience.

The proposed budget for the contract allots \$180,400 for the TDA audits \$169,950 for the RM2 Operating Reviews (\$56,650 per year); and \$299,650 for other professional review services and analyses from FY2012-13 to FY 2014-15. Funds for work in FY 2012-13 are included in the FY 2012-13 agency budget. Funds for work in FY 2013-14 and FY 2014-15 are subject to the budgeting processes of those respective fiscal years.

Recommendation

Staff recommends that this Committee authorize the Executive Director or his designee to negotiate and enter into a three-year contract with Mundle & Associates, Inc. for services related to MTC's transit performance monitoring program in an amount not to exceed \$650,000, subject to the agency's budget approval process as necessary in future fiscal years.



Steve Heminger

SH: CV

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REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Consultant Contract

Work Item No.:	1514
Consultant:	Mundle & Associates Inc. (Voorhees, NJ)
Work Project Title:	MTC Transit Performance Monitoring Program
Purpose of Project:	Perform legally-required audits of various MTC project and perform other performance review professional services, as needed.
Brief Scope of Work:	Task 1 Triennial Audit of MTC and of the Transit Operators. Task 2 Regional Measure 2 Operating Program Performance Review. Task 3 Other Performance Review Professional Services, as needed.
Project Cost Not to Exceed:	\$650,000
Funding Source:	TDA = \$485,000 RM2 = \$165,000
Fiscal Impact:	TDA: \$62,000 for audits to be conducted during FY2012-13; will require budgeting \$55,000 and \$63,400 (respectively) for the audits to be conducted in FY2013-14; and FY2014-15; RM2: \$56,650 in FY2012-13 budget for audits to be conducted during FY 2012-13; will require budgeting \$56,650 each in FY2013-14 and FY2014-15 for the audits to be conducted in those fiscal years. As needed performance review services (also TDA funded): \$299,650 in the FY2012-13 budget with remaining funds to be carried over into FY2013-14 and FY2014-15.
Motion by Committee:	That the Executive Director or his designee is authorized to negotiate and enter into a contract with Mundle & Associates, Inc. for the MTC Transit Performance Monitoring Program, as described above and in the Executive Director's November 7, 2012 memorandum and the Chief Financial Officer is directed to set aside funds in FY2012-13 for an amount not to exceed \$418,300 for such contract, and subject to the agency's annual budget approval process, \$111,650 in FY2013-14 and \$120,050 in FY2014-15.
Administration Committee:	<hr/> Dave Cortese, Chair
Approval Date:	November 14, 2012